

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

5. Lease Serial No.
14-20-H62-3920

6. If Indian, Allottee or Tribe Name
Northern Ute Indian Tribe

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
Ashley #7-2A1E

9. API Well No.

10. Field and Pool, or Exploratory
Exploratory Bluebell

11. Sec., T. R. M. or Blk. and Survey or Area
Section 7, T1S, R1E, USB&M

12. County or Parish
Uintah

13. State
UT

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
Quinex Energy Corporation

3a. Address 801-292-3800
Bountiful, Utah 84010

3b. Phone No. (include area code)
801-292-3800

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface 1,499' FSL & 2,465' FWL, NE/4 SW/4,

At proposed prod. zone 608' FSL & 1,956' FEL, SW/4 SE/4,

14. Distance in miles and direction from nearest town or post office*
8 miles northeast of Roosevelt Utah

15. Distance from proposed*
location to nearest
property or lease line, ft
(Also to nearest drig. unit line, if any) 608'

16. No. of acres in lease
40

17. Spacing Unit dedicated to this well
640 acres

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. 58.71'

19. Proposed Depth
14,300' MD

20. BLM/BIA Bond No. on file
BIA Bond from CD 010-007-2962227 (attached)

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5,616' GL

22. Approximate date work will start*
05/10/2010

23. Estimated duration
60 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature Don Hamilton

Name (Printed/Typed)
Don Hamilton

Date
04/12/2010

Title
Agent, Quinex Energy Corporation

Approved by (Signature)
Bradley G. Hill

Name (Printed/Typed)
BRADLEY G. HILL
Office
ENVIRONMENTAL MANAGER

Date
04-22-10

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

Federal Approval of this
Action is Necessary

RECEIVED CONFIDENTIAL

APR 14 2010

DIV. OF OIL, GAS & MINING

Surf

591143x

4473854

40.407994

- 109.125869

BHL

591418x

4473117x

40.405545

- 109.922670

T1S, R1E, U.S.B.&M.

QUINEX ENERGY CORP.

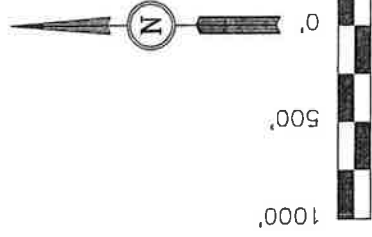
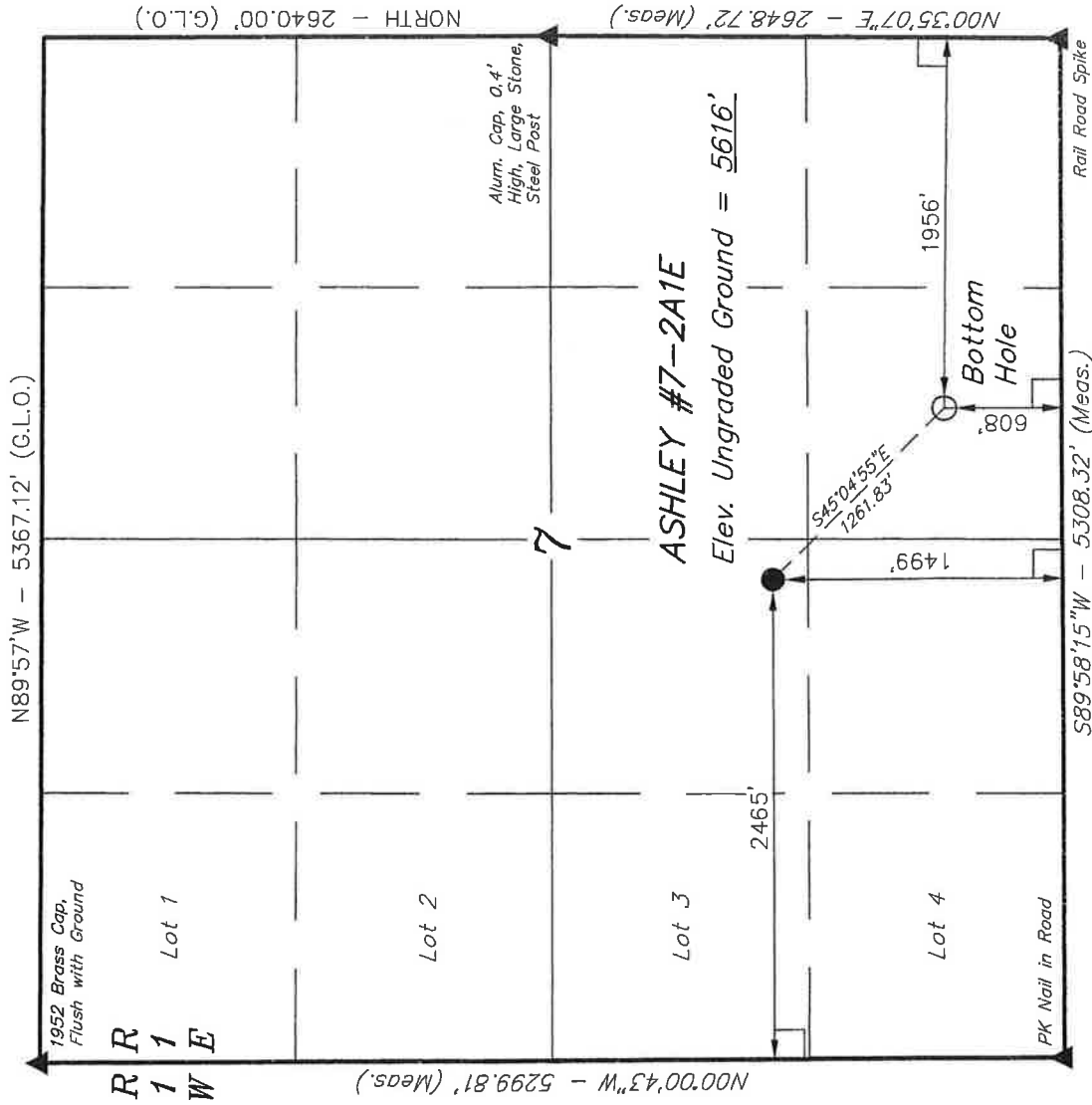
Well location, ASHLEY #7-2A1E, located as shown in the NE 1/4 SW 1/4 of Section 7, T1S, R1E, U.S.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 18, T1S, R1E, U.S.B.&M. TAKEN FROM THE WHITEROCKS, QUADRANGLE, UTAH, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5519 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
STATE OF UTAH
REGISTRATION NO. 161319

REVISED: 01-20-10 S.L.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:			
—	= 90° SYMBOL		
●	= PROPOSED WELL HEAD.		
▲	= SECTION CORNERS LOCATED.		

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.